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REPORTS, CONCLUSIONS AND RECOMMENDATIONS OF SUBSIDIARY BODIES: ECONOMIC QUESTIONS, ENVIRONMENTAL QUESTIONS

Public administration and development

Thirteenth Meeting of the Group of Experts on the United Nations Programme in Public Administration and Finance

Report of the Secretary-General

SUMMARY

The present report contains the main conclusions and recommendations of the Thirteenth Meeting of Experts on the United Nations Programme in Public Administration and Finance, which was held at United Nations Headquarters from 27 May to 4 June 1997, together with the comments and observations of the Secretary-General on these findings. The Meeting explored current issues of governance, public administration and finance and reviewed the United Nations work programme in those areas in light of the new challenges in resolution 50/225, adopted by the General Assembly at its resumed fiftieth session on 19 April 1996. It made recommendations for action at both the national and international levels, consonant with that resolution.

Against the backdrop of that landmark resolution and a rapidly changing environment for public administration worldwide, the overall theme of the Meeting was defined as "redesigning the State for socio-economic development

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and change". Within the theme, five specific issues were identified as particularly relevant: promoting an enabling environment for sound governance; enhancing the professionalism, ethical values and image of the public service; rethinking the State for socio-economic development; creating an enabling environment for private-sector development; and strengthening governmental capacity in the mobilization, management and accountability of financial resources.

The reconfiguration of the administrative State emerged from the discussion as an overarching concern and global need. The Meeting shared the view that, far from representing two adversarial forces, strong markets and strong States were truly complementary and necessary conditions for economic prosperity and social justice. Major trends throughout the world were redefining the roles of the State and the public sector and changing the nature of governance. One such observable trend was in the direction of globalization, which was gathering momentum and was rapidly changing the ways in which the economy and markets operated. Another was the progress of science and technology, which constantly transformed the methods of production, service delivery, transportation, communications and information management. Yet another salient trend noted by the Meeting was the emergence of a vibrant civil society as a dynamic partner in the conduct of public affairs and economic activity, nationally and internationally. Governments which, until fairly recently, viewed themselves as the foremost actors in the direct production of goods and services, had come to see their role very largely in terms of creating and sustaining an enabling environment for private-sector development. They actively sought partnerships with business, non-governmental organizations and other civil society actors in the pursuit of economic growth and socially worthwhile objectives. Debureaucratization, decentralization and devolution of power to lower-level actors and to civil society had gained new prominence on the agendas of administrative reform. Experience showed, however, that wide diffusion of power was not without its problems. While promoting efficiency and popular participation, it had sometimes been known to favour corrupt practices, tendencies to be biased towards clients and the power of local elites. To yield beneficial results, decentralization and deregulation must be combined with measures that safeguarded transparency and accountability. Only then could they be expected to foster the realization of social, people-centred and people-driven development.

Allied to this concern was the need to arrest and reverse a very perilous trend which, in the past decade, had seriously widened the gap between the rich and the poor, the skilled and the unskilled, the powerful and the weak. The Meeting felt that only a strong proactive State could promote social justice, ensure universal access to quality services, and safeguard the rule of law and respect for human rights, in the terms of resolution 50/225. A strong State was required to lobby for the poor and for the future, neither of which had a voice. The need to redesign a strong strategic State did not entail "big government". It was fully compatible with steps that encouraged cost-consciousness, fiscal responsibility and sound financial management. What it required, however, were properly organized and duly equipped public

administration systems, encompassing structures and policies which could attract, retain, develop and motivate high-calibre personnel. A smaller public service must be greatly reinforced in terms of both integrity and its knowledge base. Professionalism, merit and an enforceable code of ethics were the essential ingr dients of a much-needed strategy to restore and enhance the image of the public service. In turn, such a strategy called for capacity-building activities - a judicious combination of institution-building and human resource development. The need for such activities was clearly recognized by the General Assembly in resolution 50/225 (para. 7) and was central to the findings of the Thirteenth Meeting. The Meeting recommended that, as a core component of the economic and social sector of the United Nations, the Programme in Public Administration and Finance should focus on promoting and monitoring the implementation of resolution 50/225, advancing global strategies and country-specific approaches that contribu.ed to sound governance, institutional reinforcement and management development, and enhancing ethical standards and professionalism in the public service. To those ends, the Programme should not only provide advisory services and technical support to Governments but also serve as hub and forum for a global exchange of information on policies, best practices and methods among Governments, intergovernmental and non-governmental institutions and also provide advisory services to interested Governments.

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INTRODUCTION

1. The Thirteenth Meeting of Experts on the United Nations Programme in Public Administration and Finance was held at United Nations Headquarters, in New York, from 27 May to 4 June 1997, in accordance with decision 1996/215 of the Economic and Social Council. Of the 44 experts invited to attend, 39, from all regions, took part in its deliberations. Additionally, the Meeting was attended by representatives of regional commissions, other United Nations bodies and specialized agencies, and several regional and interregional institutes of training and research in public administration and finance.

2. The Meeting was organized in pursuance of resolution 1199 (XLII) adopted by the Economic and Social Council on 26 May 1967. It was the first meeting of experts after the resumed fiftieth session of the General Assembly, which was convened from 15 to 19 April 1996 expressly for the purpose of exploring the relationship of public administration to development and the role of the United Nations in that regard.

3. In resolution 50/225, adopted on 19 April 1996, the General Assembly confirmed the vital importance of strengthening public administration for development and emphasized the need for cooperation among United Nations departments and agencies in supporting capacity-building in the broad area of governance, public administration and finance. The General Assembly also highlighted the need to redesign the State with a view to confronting the challenges of global economic and technological change. Specifically, it acknowledged the role of the United Nations in assisting Governments, at their request, to further their objectives in the particular areas which had been identified by the Thirteenth Meeting. In conclusion (para. 20), the General Assembly requested the Secretary-General to submit to it, at its fifty-third session, through the Economic and Social Council, a report on public administration and development containing information on the implementation of resolution 50/225.

4. Against that backdrop, the overall theme of the Meeting was defined as "Redesigning the State for socio-economic development and change". Within the theme, five specific issues were identified as particularly relevant to redesigning the State:

(a) Promoting an enabling environment for sound governance;

(b) Enhancing the professionalism, ethical values and image of the public service;

(c) Rethinking the State for social development;

(d) Creating an enabling environment for private sector development;

(e) Strengthening governmental capacity in the mobilization, management and accountability of financial resources.

Additional agenda items included the following: review of the United Nations programme in public administration and finance; implementation of the information clearing house; coordination with other United Nations bodies and the specialized agencies; presentation by the World Bank and UNDP of their respective programmes in governance, public administration and finance; adoption of the report of the Thirteenth Meeting by the Group of Experts.

5. The Thirteenth Meeting was opened by Mr. Jin Yongjian, Under-Secretary-General for Development Support and Management Services. Mr. Jin emphasized that the task of reconfiguration of the administrative State constituted a priority; that far from representing two adversarial forces, strong markets and strong States were truly complementary and necessary conditions for progress and prosperity. He further noted that, without appropriate structures and socially sensitive policies, markets could degenerate into the instruments of social exclusion, corruption and exploitation. Mr. Jin underscored the importance of laws, regulations and policies in building an environment for private-sector development, empowering civil society and activating the structures for international cooperation. He called for a reinvigorated public service exemplifying the highest standards of competence, professionalism and integrity, and concluded on the need for cooperation and synergy in dealing with the problems that face the world, noting that public administration was an important part of the solution to those problems.

6. The Group of Experts unanimously elected Dr. Imre Verebelyi (Hungary) as Chairperson; Dr. Robert Dodoo (Ghana), Dr. Rais Abdul Karim (Malaysia) and Professor Gérard Timsit (France) as Vice-Chairpersons; and Mr. Clyde Applewhite (Trinidad and Tobago) as Rapporteur. The Meeting deliberated in plenary and working group sessions. To assist it in its deliberation, the Group of Experts considered the following documentation: Report of the Group of Experts on Public Administration and Finance at its Twelfth Meeting (A/50/525-E/1995/122); "Public administration and development" (A/50/847-E/1996/7); "Promoting an enabling environment for sound governance" (ST/SG/AC.6/1997/L.2); "Ethics, professionalism and the image of the public service" (ST/SG/AC.6/1997/L.3); "Political, social and economic realities in developing countries and in countries in transition" (ST/SG/AC.6/1997/L.4); "Strengthening governmental capacity in the mobilization, management and accountability of financial resources (ST/SG/AC.6/1997/L.5); "Public/private partnerships: the enabling environment for development" (ST/SG/AC.6/1997/L.6); "Enabling private-sector development: characteristics of the ideal policy environment" (ST/SG/AC.6/1997/L.7); "Rethinking the State for social development" (ST/SG/AC.6/1997/L.8); "Implementation of the information clearing house for the United Nations Programme in Public Administration and Finance" (ST/SG/AC.6/1997/L.10); "Administrative decentralization" (ST/SG/AC.6/1997/CRP.1); "Strategies de renforcement de l'administration publique dans les pays en développement" (ST/SG/AC.6/1997/CRP.2); "Aspects methodologiques de la reforme des fonctions publiques africaines" (ST/SG/AC.6/1997/CRP.3); "Review of the United Nations Programme in Public Administration and Finance" (ST/SG/AC.6/1997/CRP.4). In preparing some of the above, the Secretariat benefited from the support of external consultants, who presented their reports and took part in the discussions that followed. The findings and recommendations of the Group of Experts were debated and then adopted at a plenary session.

I. PROMOTING AN ENABLING ENVIRONMENT FOR SOUND GOVERNANCE

7. Governance is a concept associated with the legitimate exercise of authority to manage a country's affairs in the interest of the people. While governance systems require a certain level of stability in a society, they nevertheless need to be put into operation in societies undergoing transformation, subject to the forces of globalization and social fragmentation. In order to address the changing needs of society and to promote development and well-being, the governance process should be constantly re-evaluated and adjusted to fit changing conditions. Sound governance requires a continuous, flexible and adaptable process that absorbs its own experience and that of other countries. It should exemplify: responsiveness to public needs and interests; the ability to prioritize among those needs and interests; adequate financing to meet its priorities; and the primacy of equity. For a governance system to be sound and sustainable, it needs to be seen as working to alleviate economic inequality and reduce the exclusion of some segments of the population from the public policy process.

8. In line with General Assembly resolution 50/225, many Governments have been involved in a wide variety of governance-strengthening activities which promote strong institutions in the public, private and civil sectors of society. Overall, they are designed to increase participation, strengthen accountability mechanisms and open channels of communication between people, institutions and organizations.

9. Sound governance requires strong political leadership with a robust capacity to set priorities and implement and coordinate effectively. Political leaders need to develop and express a consistent and coherent vision of government, in order to mobilize broad societal support for the governance system. Commitment to a governance system and its reform should be independent of political parties and platforms; the support of political leadership for governance reforms must persist despite political transitions.

10. Political leaders must set clear and consistent objectives for the public service. Public servants need to know the content of their mission in order to carry it out effectively. Effective implementation of public policies requires appropriate roles and competencies on the part of both politicians and administrators. Politicians must provide the necessary policy leadership, but public administrators need the authority to exercise managerial discretion. With these roles set, the governance system will be prepared to encourage the widespread participation in decision-making necessary for effective implementation. Political leadership comes from inside the country. The international community can provide technical assistance in setting up and reforming a system of governance, but the political will to sustain governance reform can only come from the society itself.

11. The rule of law is the foundation of good governance. It provides the necessary environment for a democratic system of government (one that promotes and requires citizen participation), for the protection of human rights, for economic growth and development. Through an effective and independent legal system, the government can maintain law and order, provide discipline for social and economic interactions and generally guarantee due process for all citizens.

Most importantly, under the rule of law, the government itself is held accountable for acting in accordance with the law, both in regulating citizen and corporate behaviour and in delivering services swiftly and equitably. The keystone to an effective legal system is an independent judiciary operating in an environment in which judicial personnel are well trained and the general public is educated and knowledgeable about the law and judicial processes. A legal system supportive of sound governance provides for the creation and operation of organizations of civil society.

12. The international community can promote the development of the rule of law as the foundation of good governance in developing countries by providing assistance for the development and maintenance of an effective and efficient legal system. Both donors and recipients recognize that although the process is long term and expensive, it nurtures the prospect of fair economic development and stable social cohesion. The public service is an essential ingredient of sound governance and a necessary instrument for the reform of the State. Indeed it is the backbone of a sound governance system. A competent, neutral and devoted public service can implement public policies effectively and efficiently. When they are adequately remunerated, dedicated public servants will stress the public interest and focus their attention on achieving public goals. Political leadership needs to provide them with a consistent and coherent mission that can realistically be fulfilled. In addition, an effective public service requires sufficient authority to exercise managerial discretion in carrying out its mission. This discretion should not be unfettered. It can be controlled through the use of executive branch review and audit procedures. The international community can assist States with technical advice on the organization of training programmes and the establishment of ethical standards for a sound public service system.

13. Sound governance requires recognition by the government that it is only one of many actors in an evolving system. It is a process involving several governmental agencies in partnership with civil society and the private business sector. In developed and developing countries, governments are currently at various points on the spectrum of interaction with civil society. While the partnership approach has its own drawbacks, a sustainable governance system calls on governments to move to that approach. Within these partnerships, the government would play three critical roles. First, as already mentioned, through the establishment of the rule of law, it can create the necessary environment for the development and effective operation of civil society organizations and the private business sector. Secondly, through a process of consultation with its partners, the government can help develop a consensus on the needs, which must be met by the governance system and each actor's role in this context. Thirdly, through its network of partnerships, the government can work towards decentralizing the governance system and increasing local participation, as much as possible.

14. Special mention should be made of the very important role on the part of civil society and the media. A free and open press is an essential actor in a good governance system. The press ensures the accountability and transparency necessary for public trust in government. This trust is crucial if a governance system is to be sustainable and effective. International organizations, and the United Nations in particular, can assist developing countries in establishing

partnerships with civil society by serving as a clearing house for information on various countries. In addition, the international community, where applicable, should provide developing countries with the technical assistance required to develop and maintain a free press.

15. Countries in post-conflict situations or in transition face a daunting number of seemingly insurmountable problems that all cry out for solutions simultaneously. These countries are undergoing systemic reconstruction of their political and economic institutions, while also pursuing economic and social development. In such a complex environment, developing a sound governance system can be difficult, at best. As a first step in the process of establishing sound governance, these countries need to stabilize their central government systems. Stable government institutions and an administrative machinery are essential in order to address the systemic problems facing their respective societies. Often this stabilization is predicated on reconciliation among different segments of the society. For reconciliation, the actors in a post-conflict society must reach consensus on the issue of transitional justice and a balance must be struck between the needs for justice and for tolerance.

16. While facing numerous problems, countries in the process of transition or emerging from conflicts are also provided with unique opportunities for establishing a sound governance system. A key step in creating a stable governance system is the reconstruction of the legal system to ensure that government and political leaders operate under the law and are accountable for their actions. In this way, public trust in the governance system can be re-established. In a post-conflict or transition situation, governments have a unique opportunity and obligation to establish links and partnerships with civil society. They can identify successful local solutions promoted by civil society organizations. If local governance efforts are working, there is no need to re-centralize - only to coordinate the efforts into a coherent system. Reconstruction and transition also provide opportunities to learn from the experience of others. The reform and rebuilding of governance can advance by taking the best practices of others and adapting them to local conditions. Recognizing the large costs and long time-frame required for reconstruction and reform, donors like the United Nations should work directly with governments to identify priorities and move quickly to fill those needs.

II. ENHANCING THE PROFESSIONALISM, ETHICAL VALUES AND IMAGE OF THE PUBLIC SERVICE

17. Public service is one of the oldest and most celebrated values worldwide. Yet, due to globalization, technological advances and democratization of the policy process, public service as an institution is currently under strain. It is also undergoing transformation. Public servants are being asked to operate in a rapidly changing environment under conditions that vary considerably among countries. Changing social values and a shift in paradigm from the traditional bureaucratic organization to a managerial model are exerting an impact on the character and operation of the public service. Taken together, these developments have posed major dilemmas regarding the professional behaviour and values of the public service: How can such traditional administrative values as accountability, fairness and integrity be reconciled with new citizenship

values - transparency, responsiveness and responsibility - and with such managerial values as performance, efficiency, and results?

18. In examining these questions, it should be acknowledged that the United Nations and Member States already have various measures in place. Thus, in resolution 51/59, Action against corruption, the General Assembly articulates its stance against corruption and adopts the International Code of Conduct for Public Officials, which recommends general principles for Member States to use as a reference tool in their efforts against corruption. Furthermore, the United Nations is currently revising its Report on Standards of Conduct in the International Civil Service for its own staff. Member States have various arrangements of legislation, oversight agencies and training programmes which address the issues of professional and ethical conduct for public servants. However, in the face of a decline of confidence in the public institutions of many countries, both the United Nations and individual Member States may need to explore new measures to build trust and to avoid the economic and social costs of corruption and of unethical patterns of behaviour in the public service. The issues which emerged in the course of the Meeting of Experts have been organized into a framework encompassing the normative, institutional and social dimensions.

19. There is no easy way of defining what constitutes professionalism and ethical conduct or determining whether those concepts are universal or culturally specific. In an international organization such as the United Nations, these concepts are difficult to promote, given the multicultural environment, where no single legal order applies. At the national level, historical factors at work encouraged civil servants occasionally to step in and out of political roles. However, broad guidelines can be issued on the international level and subsequently adapted to fit the specific situation of individual countries. This view is based on the realization that globalization is the one revolutionary pressure which all countries currently face.

20. In spite of wide diversity in the public service and corresponding standards, there is an overriding duty to promote the rule of law. One current view has underscored the need to inculcate values and to train public servants in ethics. Another view suggests that a professional ethos requires sanctions to demonstrate the rule of law and its application. Legal mechanisms such as codification of behaviour are needed to better interpret laws. The Meeting took the position that both training, which provides internal guides for rank-and-file and senior public servants, and legal mechanisms, which ensure accountability, should be supported.

21. The institutional framework within which public servants work varies from case to case, particularly between developed and developing countries. In the former, there has often been a decline in controls as public sector organizations shift from a Weberian model to participative and managerial models. As the grey area between public and private sectors becomes greyer, a "promiscuous" relationship is frequently allowed to develop. New areas of vulnerability, such as contracting out and privatization, call for the need to ensure that ethics are observed in each of the branches of government. They also highlight the importance of the careful selection of public servants based on merit, integrity and dedication to service, and on a performance monitoring

system. Furthermore, such controls as the ombudsman institution or the auditor-general should carry out periodic reviews and introduce measures to resolve specific dilemmas.

22. Given the public sector's dominant role in the economy, the pressing issues centre around the incentive structure. In many developing countries, public servants find it difficult to live on their low salaries. Unscrupulous entrepreneurs exploit the situation by trying to bribe public servants. Likewise, public servants may be drawn into corruption against their will, if they think they will be forced out as a result of not participating. Changing the incentive structure and good example by leadership are crucial to turning the situation around.

23. In addition to measures which seek to correct the public service from within, the role of the civil society in implementing change from without must be reinforced. Professional associations and non-governmental organizations have a major role to play in addressing this issue. The latter, in particular, deserve support in their civic education programmes, notably those for the young. Training and education to promote ethical conduct should be part of formal public administration curricula and on-the-job instruction.

24. The role of the free press highlights the need for balance between careful scrutiny and the risks of over-zealous media. The media should not only expose wrongdoing but also help disseminate social values and low tolerance for corruption. It can promote best practices and uphold the power of example. By contrast, denunciations and an excessively inquisitorial atmosphere can discourage competent professionals from seeking public office and fuel distrust of public institutions. Constant communication with the citizenry not only prevents these types of distortions but also helps t improve the public service image.

25. The role of the United Nations is normative and operational. To support its Member States, the United Nations must develop a clearing house of information and significantly expand its existing work on corruption. It should conduct a periodic, independent survey of the state of relevant laws and practices in promoting public service professionalism and ethics. In carrying out this activity, the United Nations may wish to consult and coordinate its efforts with other international organizations conducting similar work. The United Nations, moreover, is in an ideal position to suggest guidelines on enhancing the professionalism, ethics and image of public service. It could also usefully publish information on the demonstrated linkages between the improvement of professionalism and ethical behaviour in public administration, on the one hand, and sustained national development, on the other. Lastly, it was suggested that the United Nations should continue and expand its active support of capacity-building programmes at all levels. Such programmes must endeavour not merely to improve institutional and professional performance but also to restore vitality and prestige to the public service profession.

26. The Secretariat should also work together with those Member States that wish to evaluate existing legislation, codes and regulations so that they adequately define, promote and enforce professional and ethical conduct in the public service. They should review the incentive structures for public servants

to ensure that they are updated and that training emphasizes values and standards. Professionalism in the public service depends not only on its values but also on many interoperating factors, including the legal, human resource and knowledge systems. These systems cannot be maintained or developed in isolation from one another; they must always form a coherent and coordinated whole. The image of a public service will influence its performance, but it is more constructive to view it as a consequence than as a cause. Real improvements in the performance and ethical behaviour of the public service will greatly improve its image and prestige.

III. RETHINKING THE STATE FOR SOCIAL DEVELOPMENT

27. To strengthen its capacity for social development, we must rethink the role of the State vis-à-vis the market in the allocation of goods and services. There is also need to reform the ways in which public policies are formulated and implemented. Recent data on developing countries show that, in regard to poverty, employment, health, and the solidity of the social fabric, conditions have not improved but have, rather, declined in many countries since 1980. Similar trends are apparent in developed countries as well. Inequality is reported to be on the rise, and there is a core of poverty which has become intractable. While there is no firm agreement among specialists on policies that could resolve these problems, some consensus has emerged on the fact that the economic policy packages which countries were encouraged to implement under structural adjustments have been ineffective or, worse, counter-productive for social development. Furthermore, they have led the State to relinquish some of its essential functions in the protection of citizens. Since the early 1980s, the school of economic thought that has promoted the implementation of these reforms has monopolized the debate and, consciously or inadvertently, boosted the claims of the wealthy and powerful at the expense of the collectivity. Yet, pure economic rationality would recommend investing in the social. Returns on investments in human resources are, in some cases, higher than those in physical assets, and countries whose distribution of income and assets is more equal have been growing more rapidly than those where distribution is unequal. A well-educated and healthy population is an essential ingredient of economic growth policies.

28. In order to meet the challenge posed by poverty and inequality, the State must be reformed. Specialists agree on some of the aspects of this reform. Efficiency in the delivery of social services must be improved, and this calls for consolidating capabilities in social management and enhancing the flexibility of public employment. Furthermore, the State must upgrade its capacity for prioritization, policy formulation, monitoring and evaluation. But essential to these reforms is reinforcing the capacity of the State to respond to the needs and demands of the population. Only when public policies are formulated with the participation of the citizens will the State be able to promote social development effectively. Debate on the reform has only just begun. In order to proceed, there is need to understand why, in which of its functions, how and by whom the State will be redesigned.

29. While countries may differ on the role they assign to the State in regard to social development, the State must always bear the ultimate responsibility to

ensure the social protection of its citizens. The institutional set-up for the delivery of social services must be analysed case by case. In some cases, the State will fund and regulate the provision of services but not provide them directly. In that context, implementation of social policies should be, to the extent possible, in the hands of the beneficiaries. The rules of the game must be changed, in order to place the individuals and their communities in charge of policy formulation and programme implementation. In other cases, however, where basic social services are still not available to large parts of the population, the State should take full charge for the delivery of basic services: basic education, primary health, water and sanitation. In any event, the conditions under which social services are provided must be determined by the State and reflect the rights of citizens, not simply be the result of a private contractual relation between individuals and private firms.

30. The State must reclaim the central role in the formulation of public policies, which it sometimes has lost to the private sector and international financial institutions. The principle of subsidiarity should not be construed to mean that the State will intervene only in areas which the private sector avoids. Effectiveness, however, in promoting social welfare will depend on the degree to which the State represents the views of the majority of the population. A welfare society often tends to breed indifference; it becomes a spectators' democracy. To promote social development, it is necessary for political life to be revived and brought closer to the population and to the choices people make about their basic needs.

31. Some of the essential functions of the State include: the establishment of priorities among different policy areas and the allocation of resources accordingly; the reduction of blatant social inequities; the elimination of discrimination on the basis of gender, race, religion, or other such criteria; the promotion of solidarity and the consolidation of social capital; the coordination of social actors, particularly in the private and voluntary sectors.

32. In all too many countries, social development is not at the top of the development agenda. It is essential for the international community to encourage national Governments to assign to social development the priority it deserves. There is need for a balanced policy framework, one which combines social and economic needs. An enabling environment must be created for economic growth. Macroeconomic balance is essential for economic growth, but markets are seldom, if ever, perfect. Therefore, recommendations in regard to social development which are based on the assumption of perfect markets are not always effective. Markets often fail to respond to social needs because they are seldom converted into effective demand. The poor do not constitute effective economic actors. In fact, poverty is to some extent the result of exclusion from the market, and the alleviation of poverty requires opening the markets to the poor, formalizing labour relations and promoting productive and profitable small-scale economic activities.

33. Policies must be open to a democratic debate. Often in the past, governments made decisions affecting social welfare without consultation with civil society. In modern democratic systems, however, the process of consultation must be regular and sustained. Civil society must be involved in

the formulation and implementation of social policies. They must evolve with the times in order to respond to emerging needs and to revive institutions that have lost the capacity to innovate. Furthermore, they should be based on empirical evidence. For instance, decentralization, which is commonly reputed to enhance local democracy and to improve efficiency, is often found to promote practices that favour clients and consolidate the power of local elites.

34. There is need to strengthen social capital against the current trends towards consumerism. The quality of human resources must be improved in order to increase equality and promote sustainable growth. Cultural activities can be one of the instruments used to strengthen and support traditional values and norms; the promotion of ethics in government is another. It can help reduce corruption and the waste of resources. It is further necessary to look into the financial aspects of State reform as regards, for example, fiscal policies or rent-seeking. Transparency is essential. International mechanisms for the control and prevention of misuse of the resources transferred do not exist or are not foolproof enough to prevent corruption.

35. Governments and public administration must be in the forefront of the implementation of reforms aimed at improving the delivery of social services. The legislative and regulatory environment must be reviewed in order to rationalize and simplify procedures. The State must be restructured in terms of functions and tasks and also in regard to the function of governance. Communities that benefit from social programmes should be helped with their implementation.

36. In formulating social development programmes, the experience of other countries at a similar level of development should be used. However, care should be taken to ensure that such best practices be adapted to the specific conditions of each country. To perform its functions effectively and to coordinate the different institutional actors engaged in social development, the State must train the staff in charge of social programmes in social management methods and techniques. To this end, it is also essential to review and redesign programmes for public administration: structures, proper staffing levels, human resources development and work reorganization.

37. Evaluation should be carried out on a regular basis on the effectiveness of social programmes. The evaluations should be done by the State, with the participation of all stakeholders concerned, and their results should be publicized so that the beneficiaries may press for changes in the mechanisms of execution, if they have failed to deliver the expected results. Feedback, education and training are central to the drive for development and poverty alleviation. It is a fundamental responsibility of the State to provide them. Social development should not be confused with charity. Rather, it is the State enabling the poor to help themselves.

38. Attention should be given to strengthening the role of the United Nations in assisting reforms of the State and public administration for social development in the light of the Plan of Action and Declaration of the World Summit for Social Development (Copenhagen, 1995) and of General Assembly resolution 50/225. The United Nations should provide support for this purpose and establish a database on best practices for easy access by Member States.

This would entail promoting globalization of technologies in pursuit of social development.

39. The United Nations should identify and carry out pilot projects dealing with specific services in order to permit the testing of alternative options for social policies and programmes. It should help Member States to create "training for excellence" centres, develop training materials and provide Member States with access to a pool of experts for advisory services. The debate on the redesign of the State and restructuring of governance should continue with a view to attaining the goals of the eradication of poverty and unemployment, gender equality, environmental protection, human resource development and a more prudent deployment of resources, including financial resources.

IV. CREATING AN ENABLING ENVIRONMENT FOR PRIVATE-SECTOR DEVELOPMENT

40. The Meeting endorsed the now generally accepted view that market forces were essential for private-sector growth and sustainable development and that the role of the State was changing throughout the world from one that took the lead in productive activities to one that created the conditions for sustainable growth. It was also widely accepted that good governance and appropriate government policies had a greater impact than resource endowments in driving growth.

41. Although country experiences vary, there is broad consensus on the importance of the following: stable democratic institutions, peace, political stability and mutual trust; an open and competitive environment; price stability and fiscal responsibility; an equitable, efficient and effective tax system; developed and competitive labour, financial and capital markets; sustainable human development; a State with adequate steering, regulatory and enforcement capacities, together with privatization and outsourcing of services to private providers; public and private-sector partnerships in the promotion of business, with emphasis on micro-industries and small and medium-size enterprises; access to information; promotion of technological and infrastructure development; and sound and credible legal and judicial institutions.

42. Monetary and fiscal policies should provide a stable and predictable climate for investment. Government monetary policy should aim at price stability, while fiscal policy should target a balance of government revenue and expenditure. In some countries, consideration should be given to enhancing credibility by insulating interest-rate policy from short-term political pressures. This could be done by ceding operational autonomy for the management of monetary policy to the central bank, which can then be made contractually responsible and accountable for using interest-rate policy to limit inflation to a targeted rate.

43. Efficiency in the use of resources can best be promoted in an open and deregulated economy, in which the market rewards those who act efficiently and penalizes those who do not. Government, therefore, should open the economy to global and domestic competition and deregulate markets and prices, wherever possible, including competition in the delivery of services traditionally

provided by government as monopolies. Labour markets should be made more flexible, where that is socially acceptable and can be expected to increase employment.

44. The management of public enterprises may be improved by ensuring effective competition (or regulation, where competition cannot be achieved) in the markets in which they operate and subsequently inviting competitive bids from private firms for the purchase of majority equity or for management/performance contracts. Most of the problems of privatization have arisen from premature sales, driven by fiscal crises rather than by the need for efficiency, often without transparency, and with unstated or confused objectives. Privatization will result in sustainable social gains only if the objectives are clearly articulated and communicated to all. Pending privatization, public enterprises should be corporatized with independent and expert boards of management and explicit performance contracts tabled in the legislature (or as appropriate). Their privileges should be progressively removed, subject to consideration of the obligations on public utilities to provide universal access to their services. When markets fail, the government should maintain a competitive environment by anti-monopoly and fair trade legislation. Regulation should be separate from sectoral policy-making. In many cases, it would be appropriate to insulate regulation from short-term political pressures by ceding regulatory decisions to independent agencies set up for that purpose with powers of enforcement. Regulators should be given clear principles and standards not only to regulate existing firms, but also to promote new competitors. Deregulation needs to be accompanied by appropriate regulation on safety, health etc. to protect workers, consumers and the environment. Financial and capital markets also need regulation. Financial deposit-taking institutions need prudential supervision.

45. Globalization of trade and investment and the privatization of public-sector activities are forcing the pace of enterprise restructuring beyond normal personnel attrition rates. Governments need to design and implement safety nets to ease the transition and to make the reforms more acceptable to labour and vulnerable groups which are affected, such as the elderly and disabled. Safety nets include not only financial relief to cover structural unemployment but also employment counselling, linkages with job bureaux, retraining for new jobs, and promoting small and medium-sized enterprises. Governments should realize that social development is an indispensable condition for sustainable private-sector development.

46. Taxes should be fairly distributed with a minimum of exemptions and special cases. They should be neutral in their impact - i.e., decisions should be made for good business reasons, not tax reasons. To encourage investment, taxes should be simple, stable and predictable, designed to minimize both the administrative costs of assessment and collection and the compliance costs falling on the private sector.

47. The role of government to business should be catalytic and supportive - i.e., promoting without investing, and supervisory/regulatory. Governments should simplify procedures and regulations for the registration and licensing of businesses. Additionally, there needs to be a permanent machinery for consultation with representatives of the private sector on the formulation of

relevant policies, rules and regulations and the monitoring of their impact. Collaboration is recommended to governments, in ways that safeguard the interests of consumers and small enterprises from cosy coalitions of government and big business.

48. Experience shows that private-sector institutions, such as business associations and chambers of commerce, can be more successful in providing technical and managerial support to small and medium-sized enterprises than most government agencies. Governments should encourage private-sector linkages, both domestic and foreign, to support the incubation and development of small and medium-sized enterprises, which should be encouraged to network among themselves for strategic business reasons. Large enterprises should be encouraged to be responsible to all their stakeholders, including the local community and small businesses. Military industries, in particular, need joint public/private initiatives to convert physical assets to commercially viable civilian purposes. Generally, governments should not attempt to "pick the winners" but, rather, to back the winners. Nor should governments distort resource allocation by reserving certain products or activities or giving other protection to small and medium-sized enterprises but should allow market mechanisms to determine which small and medium-sized enterprises succeed or fail. Access to credit is a problem, particularly for such enterprises. Though they create more jobs with less capital than large enterprises and are socially beneficial in other ways, their credit has higher transaction costs; they often pay far higher rates of interest than large enterprises and compete on an unlevel field.

49. It is government's responsibility to ensure sufficient educated, healthy and trainable workers, and adequate roads, ports, power and telecommunications. A feature of high-growth economies has been their high investment in training and infrastructure. These are increasingly being provided by the private sector (profit and non-profit institutions), with government financing when there are significant externalities. While the establishment of the rule of law is the very foundation of good governance, the existence of an adequate set of business-related laws and procedures for their enforcement is fundamental for attracting and retaining investment. The rule of law should be upheld by an upright, independent and competent judiciary. Since "justice delayed is justice denied", many countries need legal and judicial reform in order to speed the operation of the courts and ensure the timely resolution of disputes.

50. The United Nations system should contribute, with its access to competent expertise, through seminars, workshops, technical assistance, information systems and training courses, to the design, dissemination and sharing of knowledge, techniques and practices required by the policies determined by member countries.

51. The Programme should continue to develop frameworks and create mechanisms which assist decision makers to better utilize private-sector resources. Additionally, the United Nations has a role in promoting and evaluating the creative use of venture-capital funding and other instruments as mechanisms of capital formation for development. It should focus its assistance on the least developed countries, which are not yet in a position to attract foreign investment, and economies in transition, and adopt a sectoral approach. There is need of a new partnership among governments, the private sector and the

international community. This will create the environment that will promote international and domestic investment. Private firms may collaborate in technical assistance programmes because of the benefits to themselves of creating new domestic markets and of reducing the costs of doing business by improving business relationships, reducing instability and promoting community support.

V. STRENGTHENING GOVERNMENTAL CAPACITY IN THE MOBILIZATION, MANAGEMENT AND ACCOUNTABILITY OF FINANCIAL RESOURCES

52. The Governments of developed and developing nations alike are transforming their governance and administration systems. The need to reform public financial management in developing countries and economies in transition appears to be more pronounced than ever. Traditional approaches have failed to produce sound, efficient and effective systems of resource mobilization, budgeting and financial management. For several decades, centralized planning and resource allocation were characteristic of many governments, giving expression to national blueprints for development and growth. Budgeting was subordinated to planning, and that caused gaps between development policy planning and resource allocation decisions. The result was unrealistic national economic and fiscal policy-making, compounded by the poor administrative capacity of many governments to collect revenues. New policies, moving from a statist orientation to a more restricted role for government, are placing heavy demands on public financial management systems in developing countries and countries in transition. These changes involve strengthening capacity in three areas: guidance of the economy through central fiscal policy-making; public expenditure management and accountability; and revenue mobilization.

53. Centralized fiscal policy-making institutions should be proactive in medium- and long-term investment planning, budgeting and financial management of the economy. Macroeconomic management should replace short-term crisis management, especially with regard to public debt ceilings and deficit management. Governments should undertake more effective oversight, using performance management standards, supported by regular monitoring and effective audits, for all the programmes of government. Traditional separation of current and development budgetary processes caused duplication and confusion. Planning and budgeting need to be integrated. In fact, all components of the financial management system should be integrated in a smooth flow of information, decisions, funding appropriations and auditing/evaluation. All parts of the system should cooperate, and strong agency planning, budgeting, cash and debt management, accounting, reporting, auditing and evaluation should complement central policy-making. Asset management, procurement and personnel are also parts of this integrated system. Critical problems, such as labour market instability and possible social unrest, arise from the need to change and transform while also downsizing the workforce. Reforms may require significant training and retraining components in new skill sets, especially where the use of new technology is involved.

54. Many developing countries and economies in transition rely heavily on external financial resources, including donated funds and loans from international organizations, bilateral programmes and non-profit organizations,

on which there needs to be a clear government policy. Heavy debt burdens in such countries indicate the importance of regular, stable and adequate flows of domestic revenue. External loans and grants carry strict conditions aimed at altering the economic nature and fiscal policies of recipient nations, resulting in loss of freedom in making independent fiscal choices. Developing countries and economies in transition have seen a need to reorient their tax systems and strengthen their administrative capacities for revenue estimation, tax collection, and tax administration. To be effective, the tax structure should be based on the two principles of efficiency and equity. These must be balanced to avoid counterproductive consequences, such as loss of investment and social displacements. A broad-based tax is both efficient and equitable.

55. Many countries lack an effective revenue administration system. As part of an integrated financial management system, an effective tax/revenue administration should be based on the principles of tax simplification, strategic reform in revenue source identification, high-level commitment to reform, improvements to public perception of taxation and technical competence. Some governments have been tolerant of tax avoidance practices, resulting in loss of revenue and credibility. Communication is needed at all levels of government and is essential for building credibility. Public faith in resource allocation is diminished by external interventions in the budgetary processes. Governments should use appropriate technologies to improve communications, modernize financial processes, build managerial capacity, develop public trust and receive feedback for administrative improvement. Computer Internet systems, 'help lines', and other information systems can be used.

56. The non-structured (informal) sector needs to be incorporated into the legal, regulatory, and fiscal frameworks without stifling its entrepreneurial and job-creation aspects. While the informal sector plays an important role in income generation and employment, it is important to encourage the migration of entrepreneurs into the small business sector as a means of strengthening the rule of law and broadening the base for resource mobilization and development, as has been done in various countries. There seems to be increased scepticism regarding the level of transparency and accountability prevailing in governments, especially in view of the public perception that the scope and capacities of external auditing agencies are limited. Two measures should be considered by governments: one is to strengthen legislative audit as part of the oversight of administration for democratic purposes; another is to improve managerial auditing both internally and externally. Reinforcement of managerial and compliance auditing enables governments to promote transparency, accountability and democratic values of responsiveness and responsibility.

57. Appropriate communication programmes can be made available to governments and adapted for information dissemination, feedback, processing and accountability. This would help governments achieve the goals mentioned above. Information technology vendors are not always selling what is needed. There needs to be a better comprehension of the available software applications and how they can best be used. Technical assistance can be provided to governments in modernizing their information technology in public financial management in order to improve managerial capacity, accountability and transparency. An international "help line" for inquiries from Member States would greatly assist

in addressing questions on priorities and practical applications/solutions to problems.

58. Experts should be made available to assist governments in evaluating the level and type of software applications and hardware needed. The Internet web sites, technical publications and regular mailings, including electronic mail advisories, can provide details of resources available and the experiences of other countries. Wherever possible, examples of best practices should be highlighted for deeper analysis and possible application in other countries. Likewise, high-level training programmes can be arranged for legislators and policy makers to strengthen their technical skills in the budgetary process, especially in their interface with the executive bureaucracy.

59. The United Nations should promote regional information-sharing among local and regional governments - e.g., through regional United Nations workshops and seminars for regional government executives and through the actual involvement of financial managers in the budgetary process and simulation programmes. Successful cases of programmes in which unregistered entrepreneurs are encouraged to migrate into the small-business sector, should be shared through the United Nations with other developing countries. Likewise, effective systems of legislative oversight, especially the financial oversight of the administration by the legislature, should be shared by Member States. Similarly, the United Nations can help governments develop internal and external managerial audit systems. Assistance may also be provided on how governments report budgetary decisions and implementation outcomes to their citizens. Surveys may seek feedback from citizens on how the governments perform and how they can be improved. Successful experiments, in different parts of the world, could be used as examples.

VI. OVERARCHING NEW CONCERNS AND GLOBAL NEEDS

60. Certain themes emerged with remarkable frequency during the deliberations of the Group of Experts both at the plenary sessions and in the group discussions. They reveal shared concerns and pressing needs for action. The need to redesign the State was clearly one of those themes. It was articulated partly as a need to avoid the excesses of passivity, on the one hand, and total control, on the other, and partly to respond to dominant new trends. One such observable trend is globalization, which is gathering momentum and rapidly changing the ways in which markets operate. Another is the progress of science and technology, which constantly transforms the methods of production, service delivery, transport, communications and information management. Yet another trend is the emergence of a vibrant civil society as a partner in the conduct of public affairs, nationally and internationally. In light of those new trends, old bureaucratic structures of control and domination no longer seem to work effectively. In several parts of the world, "debureaucratization" goes hand in hand with the decline of patterns of government administration marked by closure to the external environment. It is ushering in new approaches to management which exemplify openness, initiative, diversity and frequent interaction with multiple stakeholders, both from the private sector and voluntary, non-profit civil society groups.

61. Governments, which until very recently not only participated in the direct production of goods and services but frequently monopolized all such activity, are slowly giving way to governments that steer and coordinate but let individual initiative and market-driven forces take the lead. Such governments actively seek the partnership of business and non-governmental organizations in the pursuit of economic and social development objectives. Deconcentration and decentralization of functions and responsibilities are seen as a response to universal claims from citizens and consumers to take charge of their lives and make their own decisions in ways that add vitality to democratic government and economic activity. Experience shows, on the other hand, that decentralization is not without its problems. This is especially true in the absence of well-structured, understood and duly enforced legislative frameworks but also true under conditions of acute resource scarcity. Such devolution of functions must also be combined with measures that safeguard transparency and accountability in governance and administration. The critical importance of democracy, transparency and accountability in all public and private, national and international institutions was a recurrent theme in the deliberations of the Expert Group which echoed, on that point, a similar concern in resolution 50/225 of the General Assembly at its resumed session in April 1996 (paras. 5 and 6). According to the resolution, they are "indispensable foundations for the realization of social and people-centred development".

62. Allied to this concern is the need, articulated in the discussions, to arrest and reverse a very perilous trend which, in the past decade, has seriously widened the gap between the "haves" and "have-nots", both nationally and internationally. Not only inequality but also poverty and unemployment are rising sharply, with all the attendant symptoms of marginalization, social exclusion and alienation among the large disadvantaged segments of the population. Contrary to the schools of thought which prevailed in the 1980s, new currents have insisted on the advantages of building social capital. Their argument has shown that the returns on investments in human resources are frequently much higher than those in physical capital; that a healthy, educated and democratic citizenry is the most important factor in economic development. It is becoming clear that a State that can address complex social problems, enhance participation in public life and safeguard the rule of law, due process and respect for human rights is a State which "promotes social justice, ensures universal access to quality services and productive assets and creates an enabling environment for sustainable, people-centred development", in the terms of resolution 50/225. Such a State cannot be passive or reduced to a minimal role. It is, on the contrary, the lobby for the poor and for the future, neither of which have a voice. A strong, proactive State is one that intervenes strategically by creating the conditions that support constructive endeavours for people-driven growth. Far from seeking to replace or to stifle private initiative, it provides the right incentives and intervenes to stop or correct dysfunctional, illicit or inequitable practices in which some groups engage to the detriment of others and society as a whole.

63. The need to redesign a strong strategic State does not entail "big government" nor, as the Meeting showed, does it run counter to ongoing reforms in several parts of the world which seek to circumscribe the field of government action and cut public expenditures. It should not be overlooked, on the other hand that, in a number of countries, the process of "building the State" is

still incomplete. Measures to enhance cost-consciousness and to increase efficiency and productivity in government are highly necessary but ought to be pursued in ways that build capacity, in qualitative terms. The qualities required are knowledge, values, leadership, initiative, networking competence and skills on which the new design of a strong State is clearly predicated. A smaller public service can and must be reinforced in terms both of integrity and of its competence base. To assist leaders of government in their strategic functions and serve the common good, the public service requires top-level policy analysts, efficient public managers and effective communicators, and dedicated expert and support staff. This need, in turn, highlights the importance of the structures and policies that must be in place in order to attract, retain, develop and motivate such personnel in adequate numbers. The importance of such measures was also underscored by the General Assembly in resolution 50/225 (para. 7).

64. Capacity reinforcement, which developing countries require and which the General Assembly calls for, can be viewed as the coefficient of two complementary activities: institution-building - which is to say, the establishment, refinement and maintenance of adequate structures and processes; and human resources development, including education and in-service training, without which no society or organization can compete successfully in the global marketplace. Belief that education and training, judiciously supported by appropriate policy frameworks, can also be used to enhance the level of integrity and motivation in the public service was a recurring theme in the deliberations of the Expert Group. Discussion demonstrated that public administration embodies a range of human values not found in such combination in any other set of social institutions. It includes fairness, objectivity, stewardship, accountability, honesty, sensitivity, responsiveness, compassion and selfless devotion to duty. Public service in this sense, exemplifies some of the highest, most widely shared values. Corruption is not only behaviour that runs counter to hallowed ethical standards and a violation of public trust. It also vitiates the nature and the purposes of public policy at large, contributes to the waste of scarce financial resources and seriously undermines the credibility, legitimacy and effectiveness of democratic government.

65. Where financial management is concerned, the difficulties of reform are compounded by the demands of environmental turbulence. Financial policy makers and administrators in developing countries and economies in transition work in an environment of political change which brings its own uncertainties. A key issue in these societies is the effective communication of government economic policies. This needs to be accomplished through participatory debate on programmes and functioning systems of public financial management. Civil society must be actively involved in both policy-making and implementation. Its confidence in policies and mechanisms needs to be enhanced by credible and visible enforcement through strengthened audit functions, which serve to reassure all that the required levels of transparency and accountability have been attained.

66. With the expansion of the private sector, opportunities for scarce talent have increased and made it more difficult for the public sector to recruit high-level personnel. Likewise, computerization has eliminated much drudgery and placed a premium on systems design, information management, technical

capabilities and analytical faculties. This phenomenon has established an urgent need for large-scale programmes which inform and educate public servants at all levels, including elected officials. The need for effective decision-making in transforming environments demands that all governments increase their investment in intellectual capital. This is particularly true where the prudent allocation of scarce resources needs to be decided during budget formulation processes. Similarly, broadly based and equitable resource mobilization policies, which sustain long-term economic and social development from domestic sources and savings, are needed.

67. Reinforcing the foundations of democratic government, improving the quality of governance and enlarging the scope for citizen participation in the conduct of public affairs loomed large in the concerns of the Thirteenth Meeting of Experts. In line with the recommendations of the General Assembly at its resumed session, they also represent an increasingly prominent part of the normative activities of the Division for Governance, Public Administration and Finance of the United Nations Secretariat. Geared to the needs of developing countries and countries with economies in transition, the United Nations Programme in Public Administration and Finance is now featuring capacity-building activities that benefit government services as well as civil society, i.e., the private sector and non-governmental organizations. In terms of breadth of service and range of needs addressed, the Programme has never been more diverse. The Meeting believed that the Programme should be strengthened and its strategic role in assisting developing countries with policy-making and management advice, information and training should be emphasized. Increasingly, delivery of such advisory services can make use of the available information technology and be provided "on line". This prospect opens up a range of new possibilities for the Division.

VII. REVIEW OF THE UNITED NATIONS PROGRAMME IN PUBLIC ADMINISTRATION AND FINANCE

68. The Meeting had before it "Review of the United Nations Programme on Public Administration and Finance" (ST/SG/AC.6/1997/CRP.4 of 27 May 1997), with its annexes on subprogramme 8.1, Public administration and development management of the medium-term plan for the period 1998-2001, and the proposed programme of work under section 10 of the proposed programme budget for the biennium 1998-1999. The Meeting reviewed programme performance since the last Meeting of Experts. The programme of work was considered in the framework of the various legislative mandates from the Economic and Social Council and from the General Assembly, particularly General Assembly resolution 50/225, on public administration and development. The Meeting also took note of the recent decision by the Secretary-General to merge the activities in the economic and social fields at Headquarters into a single department, and the decision by the Administrative Committee on Coordination (ACC) to consider the resumed fiftieth session of the General Assembly as a world conference, for which the United Nations system would carry out coordinated follow-up action. Finally, the Meeting reviewed the medium-term plan for 1998-2001 and the proposed programme budget for 1998-1999 in light of its deliberations on the overall theme "Redesigning the State for sccio-economic development and change".

69. The Meeting stressed the importance of the Programme in Public Administration and Finance in the context of the economic and social sector of the United Nations. It took the view that issues relating to governance, the role of the State, the improvement of the public sector and of financial management, the strengthening of the State as facilitator for the private sector and civil society were at the core of the development agenda of most countries in the world. The Meeting, therefore, felt that the United Nations, through its advocacy work, should play a major role in assisting governments in developing appropriate policies in that respect. The Meeting thought that the Programme in Public Administration and Finance should focus in the following:

(a) Supporting standing political and ad hoc processes for the development of integrated policy responses to relevant emerging issues;

(b) Providing substantive secretariat services and support to intergovernmental bodies addressing governance, public management and public finance issues;

(c) Promoting and monitoring the implementation and coordinating follow-up of the mandates given by the General Assembly in resolution 50/225;

(d) Ensuring that governance and public management are incorporated into the Organization's global, regional, and national activities to preserve international peace and security and to promote reconstruction after crises;

(e) Analysing emerging trends and issues in public administration and finance;

(f) Promoting global and collective approaches and country-specific strategies to address governance, institutional and management development issues in support of economic and social development;

(g) Serving as a forum for the exchange of information, lessons and experiences among governments, intergovernmental and non-governmental institutions;

(h) Providing advisory services and technical assistance to developing countries in the areas of governance, public administration and finance;

(i) Facilitating the translation of global policies, strategies and programmes at the country level, and feeding back lessons learned and experiences gained at the country level into the global policy development process;

(j) Supporting the efforts of Member States, particularly developing countries and countries with economies in transition, to strengthen their capabilities to formulate, manage and implement development programmes and policies;

(k) Supporting the Secretary-General in enhancing relevant policy coherence and coordination, both within the United Nations and among United Nations system organizations;

(l) Providing linkages between the United Nations and civil society in the foregoing activities;

(m) Increasing awareness of relevant United Nations work, including access to United Nations electronic information.

70. The Secretariat was requested to distil the conclusions and recommendations from the record of the Meeting and take them into account in the context of the revision of the medium-term plan for the period 1998-2001; the revision of the narrative for the proposed programme budget for the biennium 1998-1999; and the preparation of the documentation for the Fourteenth Meeting of the Group of Experts. The Meeting also took note of programme performance and expressed complete satisfaction with the large number and quality of outputs produced by the Secretariat, far exceeding the original plans. Particular appreciation was expressed for the number of activities in preparation for the resumed fiftieth session. The Meeting stressed the need to build appropriate synergies with regional initiatives, so that global and regional programmes could be mutually reinforcing.

71. The Meeting had before it for consideration "Implementation of the information clearinghouse for the United Nations Programme in Public Administration and Finance" (ST/SG/AC.6/1997/L.10). The clearing house would serve as an information interchange that would facilitate the dissemination of expertise, research, cutting-edge issues, and ideas in the field of public administration and finance to and among the Member States. Managed by the Division, the clearing house, through the use of the current information technology and resources such as the Internet and the World Wide Web, would make available United Nations documentation on the Programme in Public Administration and Finance; provide user-friendly access to outside information, research on current issues, and best practices; offer linkages to the regional commissions, other organizations and Member States; conduct periodic "on-line conferences" and facilitate the provision of advisory services and technical support. The Group of Experts supported the establishment of the clearing house within the framework of existing regular budget activities but felt that extrabudgetary funding schemes should be explored. The Meeting recommended that areas where current initiatives are under way, such as decentralization and local governance, should be given strong attention within the clearing house. The Meeting further recommended that the United Nations take note of the necessity for intelligent information management, ensuring that the information exchanged and made available be of relevance and timeliness to users, avoiding information overload and thus loss of effectiveness.

72. The Meeting took note of the Secretary-General's proposals to reform the economic and social sectors of the United Nations Secretariat and its intention to introduce a clear division of labour, elimination of duplication, greater cohesiveness and collaboration in the economic and social sector, including the field of public administration and finance. It took note of the good cooperative arrangement already existing with other organizations of the United Nations system, particularly with the Economic Commission for Africa and the United Nations Development Programme, and the Bretton Woods institutions. It recommended that that cooperation and a clear division of labour be further pursued and that the United Nations Programme in Public Administration and

Finance make a special effort to ensure that initiatives, meetings and conferences on the themes covered by General Assembly resolution 50/225 be integrated into the policy development mechanism of the General Assembly. The Meeting also took note of the Secretary-General's intention to make available, for development activities, resources saved from reductions in the Organizations's administrative costs. In light of the issues raised by the General Assembly in resolution 50/225, the Meeting strongly recommended that the United Nations Programme in Public Administration and Finance be seriously considered as a beneficiary of those transfers, with a view to strengthening its capacity to implement resolution 50/225, particularly paragraph 13.

VIII. COMMENTS ON RECOMMENDATIONS MADE BY THE EXPERTS AT THEIR THIRTEENTH MEETING

73. The discussions at the Meeting were extensive, and the report provided a good analysis of the various issues raised. The Meeting made several recommendations for action at the national and international levels. Actions at the national level were the responsibility of the Member States. The Council might wish to call the attention of Member States to those recommendations.

74. The Meeting stressed the need for the United Nations to continue discussions at the policy-making level on issues relating to governance, the role of the State, improvement of the public sector, public financial management and the strengthening of the State as facilitator to the private sector and civil society, since those were at the core of the development agenda of most countries in the world. Most recommendations stressed the need for the United Nations Secretariat to be active in fostering an exchange of information and experiences in the above-mentioned areas, with particular emphasis on South-South cooperation. It also underlined the need to promote global and collective approaches to those themes and the particular role that the United Nations should fulfil in translating them into country-specific programmes. The Meeting strongly approved the establishment by the Secretariat of an information clearing house aimed at making available, electronically, information, good practices and advice to developing countries and economies in transition. The Meeting further requested the Secretariat to accelerate its work in implementation of resolution 50/225, especially paragraph 13.

75. The Meeting recommended that its fourteenth meeting be convened in May 1998 to review the progress made in implementation of the above-mentioned resolution and to provide inputs in preparation for the Secretary-General's report on public administration and development to be submitted to the General Assembly at its fifty-third session. Therefore, subject to the approval of the Economic and Social Council, the Secretary-General has made arrangements for the Fourteenth Meeting of Experts to take place in May 1998. Financial provisions for that meeting were being made in the Secretary-General's proposed programme budget for the biennium 1998-1999.